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ABSTRACT

In international business education, there has been a general acceptance of the need for a curriculum integrating humanities and business education, since international business, operating within a world environment, requires an understanding of disciplines such as law, geography, psychology, and sociology in addition to functional business areas of marketing, management, and finance. Despite this acceptance, business schools in the United States have not succeeded in preparing students for international business careers. Dealing with the challenges of international business requires a sensitivity to the social, political, and cultural environments in which business is conducted, and American business graduates tend to lack understanding of people and cultures other than their own. Integrated humanities and business courses can help promote this understanding and to modify attitudes such as xenophobia, traditionalism, and ethnocentrism, which promote outmoded or restricted views of the nature of the international business environment and its problems. For example, the problem of the loss of worldwide competitiveness by the United States must be seen as the result of economic and social factors operating simultaneously within and outside of the country, rather than a purely economic issue. Businesses must be willing to learn how to compete effectively in an international context, and integrated business and humanities courses can help their leaders to do so. (HB)

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Talk delivered at the Annual Convention of the American Association of Community and Junior Colleges, St. Louis Mo., April 5, 1982.

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INTEGRATING THE HUMANITIES AND BUSINESS EDUCATION-THE EXPERIENCE OF INTERNATIONAL BUSINESS AS AN EXAMPLE.

TALK DELIVERED BY STANLEY FLAX, Coordinator of International Trade Program and Assistant Professor of Business Administration, Community College of Baltimore, Harbor Campus, Baltimore, MD 21202, at Annual Convention of AACJC, St. Louis, Mo., April 5, 1982.

A question contantly raised is: why should we have a single course integrating the humanities and business education? We offer separate courses in each area. In my area of specialization, international business, there has never been any question as to the need for a single course integrating the two. In fact, the entire international business curriculum is integrated. In order to understand the nature and the conduct of international business, one must understand the people who conduct business and with whom such business is transacted. Inasmuch as international business operates within the broad context of the world environment, if must, of necessity, draw on the contribution of the basic disciplines, including geography, history, politics, law, economics, philosophy, music and art, pyschology, solciology and anthropology. In addition, international business covers the functional business areas of marketing, management, production, personnel management, finance, etc. Because these areas of study are crucial for success abroad, a fundamental grasp of their importance is necessary. Perhaps the greatest problem existing in society today, as concerns business

and society, is the attempt to solve social problems by applying economic solutions. Unfortunately, most business managers and business students have note, simultaneously, been exposed to principles and skills relating to people, to society.

Norm Bowie stated in his recent article in The CCHA Review, "A proper education enables one to see how the vocation fits into the larger social setting; how one's vocation contributes to society and why it is necessary. Such understanding provides one with a sense of accomplishment and satisfaction. People must know what contribution their business career makes to society itself, a feeling of self-importance."[1] This need becomes even more acute when we encounter foreign societies.

From my observations and analyses, the Business schools have not really prepared people adequately for international business careers. For the most part, business graduates lack the sensitivity for people and cultures different from ours, social factors indispensable for goal achievement. An article in the November 10, 1980 issue of Business Week, stated: "B-Schools have for years offered lectures on international business. But they tend to ignore the essential concept of understanding foreign cultures. The military or the sports world would never go into combat without a full knowledge of the adversary. Yet, American

Business schools teach international business from the American point of view...."[2]

Evidence of basic educational weaknesses in the business curriculum is manifested in our bewilderment at the loss of world-wide competitiveness both outside and within the United States. Otherwise bright and talented business managers seem lost when the competition is from foreign sources. Too much of the blame has been shifted to workers who are disgruntled, bored, dissatisfied, lack pride in their workmanship and job, lack motivation and productive drive. Yet, what is not well understood nor addressed is what caused these negative attitudes, this apathy. It is a business manager's responsibility to motivate and sustain a worker's motivation, regardless of how insignificant or boring a job may seem to be. Pride in workmanship, in doing one's best, must be nurtured and reinforced by one's supervisors. That is part of management's responsibility. Managers must understand and apply principles of human behavior to the solution of human problems, which may help to solve economic problems. These principles must be applied <u>simultaneously</u>.

We look upon imports as the cause of our problems, rather than as the result of them, of what we are <u>not</u> doing to meet the needs of society, rather than what foreigners are doing to us.

The motives and goals of managers and workers may differ. Yet, the need is to transcend these differences, to find common ground so each group may work together in harmony to achieve each group's goals. In order to do so, our future managers--our business students--must have a total unders anding of society to be able to develop business plans and goals incorporating social as well as economic principles.

A proper business education enables the student to see how the area of business fits into the larger social setting; how one's business vocation contributes to society, can be used to solve societal problems within the business person's scope of control. The business student must be conscious of both his or her technical and social and moral responsibilities. If all our "experts" in government, business and academe really are solving our international problems--which also are our domestic ones--how then do you explain the fact that our problems of 25 years ago are no closer to solution today than they were 25 years ago?? Cosmetic treatment, incorrect medication for an illness incorrectly diagnosed, simply will not cure anything. Treating the symptoms and not the basic causes will not work. We must get to the root of the problems. The fact that so many of our problems involve economic and social factors operating simultaneously dictates the need for a single

course addressed to these factors operating simultaneously. Such a course would enable students to understand the interrelationship and interdependency of business and the humanities, seeing just how each is an integral part of the other.

The function of humanities is to enable one to see how a business program fits into the larger social setting. There is the need to understand the"nature of ethical re-soning and the importance of value in the life of a society".[3]

There is the crucial need to respect persons, to gain cultural empathy. We must become more sensitive to the implications business has for society as a whole, an understanding of business's role as a member of this society. In our diverse, pluralistic society, this means an integration of disciplines.

Most business faculty do not seriously consider questions of morality or ethical behavior by businesses and their impacts on society, perhaps because little has been focused on these areas in formal business education, preparing them to treat this as an integral part of the conduct of business. Many humanities faculty do have this training and can handle it. Team teaching might be the ideal way of handling, creating synergestic solutions to problems.

All of us are familiar with the many cases of international business behavior labeled as "unethical" and "immoral". We have been criticized for these practices and, in turn, criticized others based on our code of ethics and standards of morality. But, do we really understand all the issues involved. Do we weigh the pros and cons of our decisions? Do we really realize that such codes and standards differ greatly from society to society? What may be unethical in our society may be perfectly ethical in others.

We must also study the nature of competitiveness, not merely in the technological sense or ecoromic definition, but in the human sense, that it is people who make decisions and take actions based on social, as well as economic factors.

The competitive strength of foreign firms cannot be swept away by the stroke of a pen, a decree based on economic theory. We must learn how to compete more effectively here and abroad, concentrating on the human factors. This requires that we know who our competitors are, their strengths, their weaknesses, their values, feelings, their goals. Moreover, we must objectively determine why people prefer to buy from our competitors instead of from us. Too often, we have not faced the fact that people in other nations, from other cultures, can compete

against us quite effectively and fairly. Basically, the most serious problems we face are attitudinal. These problems will continue to plague us unless and until we resolve to attack them. The most important of these problems--or social maladies--are:

Firstly, XENOPHOBIA. The fear of foreigners, a traditional trait from the time of our founding fathers. Foreigners are strange, they look and act different. We distrust them out of fear, the fear of strangeness. This obscures our objective assessment of their capabilities. It is still difficult for us to accept the fact that the Japanese can use "legitimate" means to conduct business--legitimate meaning the "American" way. Yet, the Japanese have read our marketing and other business textbooks, employing what they read into action. After we Americans complete our business courses, we sell our texts.

One fellow told me some years ago, "The whole problem with international business is that there are too many damned foreigners involved". Unfortunately, this is a sad reflection of an attitude all too common in our society. It has stifled our objectivity and is costing us markets.

Secondly, TRADITIONALISM. In many respects, we seem to be locked into a pattern of behavior based on tradition. A few years ago, a trade bill-the Burke-Hartke bill-was introduced into the Congress, calling

for a return to earlier times, to a period when we had little competition from abroad, when our tradition was that of being world leaders. This perception has made it traumatic to accept any changes contrary to our traditional beliefs. Moreover, it has contributed greatly to our loss of competitive position. Our government leaders plead for a return to our traditional surpluses in the balance of trade-wherein our exports of merchandise exceed our imports.

Since the turn of the century, until 1971, the United States had balance of trade surpluses each year. Thus, we assumed it was our manifest destiny, to permanently have trade surpluses. It was our tradition. Yet, the tradition is more that of the 17th century, the Mercantilist tradition. Our "experts" warn that deficits are shameful and terrifying. This hangup stems from our traditional education which favors anything that is positive-such as the balance of trade surplus-and deplores anything that is negative-a deficit in the balance of trade. Yet, during the days of the depression, in the 1930s, the only "good" news coming out of Washington monthly was that concerning record balance of trade surpluses. Can we say that such surpluses were reflective of a sound economy in this country? What a price to pay for maintaining surpluses!

If everyone was to export and no one to import, who would buy what others have to sell? If all nations devoted their energies to fostering surpluses in the balance of trade, who will run deficits? Are we to say that the winners are those running surpluses, while the losers are those running deficits? If we do believe this, we are indeed trapped by traditional values that are not valid.

Our traditional treatment of exports, as an economic imperative, has caused most Americans to consider exports in purely economic terms or political terms, instead of as a viable means of a firm's expanding its business, a means of achieving economic goals by applying human-related concepts---the marketing concept, developing plans and strategies dealing with people-their needs, their wants-employing the means of developing those goods and services which will best meet and satisfy those needs and wants.

The devaluation of the American dollar against our major trading partners' currencies in 1971, and again in 1973, followed by depreciations of the dollar, were hailed by many "experts" as a panacea for solving our international economic problems. Theoretically, when a nation reduces the prices of its exports-in terms of what foreigners must pay in their currencies to buy dollars with which to pay exporters-

and the prices of imports to your nation from foreigners, in terms of the number of dollars you have to put up to buy their currencies--with which to pay for these imports-our exports become cheaper and thus more "competitive" while our imports become more expensive and less "competitive". In other words, the assumption is that the pricing mechanism is the chief determinant of competitiveness of products. This oversimplification does not consider the role of people in the marketing process. The value perceived by people of any product offering is crucial. Suppose the product still does not meet a consumer's needs? At any price the merchandise will not be bought. Suppose there are no alternative sources of supply in this country? What of products whose design is incompatible with consumption patterns? Suppose a foreign middleman decided to pocket the difference and maintain prices so that the consumer, who is ultimately responsible for any change in demand, does not benefit through monetary changes? If a customer abroad considers us to be indifferent suppliers, perceived as being undependable or unreliable, even a lower price will not necessarily cause the consumer to start buying from you.

The last malady I wish to address today is ETHNOCENTRISM, the belief in the inherent superiority of one's own group and culture,

accompanied by a feeling of contempt for other groups and cultures.

We use our attitudes, beliefs and customs as the basis for judging others--the self-reference criterion (or SRC)--which biases our thinking and objectivity. Ethnocentrism has been a major factor in our loss of markets and lack of understanding of the nature of our competitors and potential customers. Our SRC has stood in the way of adjusting our business practices and behavior more specifically to needs of consumers abroad and at home. Our view of the inferiority of foreign cultures has causes us to turn our backs on potential consumers, while underestimating the power and capability of competitors in different countries. It is still difficult for many people to accept that fact that the Japanese were and are able to develop their own technology and are innovative, not merely followers. Ethnocentrism has stoor in the way of our adopting internationally accepted standards of weights and measurements, restricting acceptance of our products.

Little effort has been made by Americans to communicate in the language of their potential customers, adjusting to the customs and practices of the customer. Even when we are in a foreign country, we tend to view nationals as foreigners. There is the story of the man and his wife getting off the plane in Orly Airport, Paris, seeing this

little four-year old girl speaking French at a "mile-a-minute" pace. The man turns to his wife, saying: "Isn't that wonderful, only four years old and speaking French already?"

It is these maladies or problems which, I feel, are the most critical ones affecting us world-wide, in business, in international relations, in economic and social development and growth. They will continue to afflict us until and unless we resolve to attack the causes, developing social solutions to social problems. International business requires more than management skills transferred to different societies. It requires cultural sensitivity, translation of cultural understanding and empathy into planned action. It requires definite knowledge of how people feel about themselves, their outlook towards the future, how they perceive themselves and others, how they express and communicate their feelings and attitudes, their needs and wants. Competing effectively-whether at home or abroad-requires an understanding of people as members of society. It means the need to be compassionate, to be responsive to people-as consumers, as workers, as individuals, as fellow human beings.

These traits cannot be legislated. Technological education alone cannot instill these factors and traits. They require humanistic education and technological education concurrently. It is precisiely

these areas of concern that support the argument for an integration of the humanities and business education.

It is not so much a question of our ability to compete and to solve our problems. It is more a question of our willingness, to learn how to compete and how to solve our social and economic problems together.

NOTES

1 Norman E. Bowie, Business Education, The Liberal Arts, and the Community College; The Community College Humanities Association Review and Proceedings (February, 1982) pp.22-23.

2 "What are they teaching in the B-schools"? (Business Week)-November 10, 1980. pp.61-69.

3 Norman E. Bowie, op cit; p.24.

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